## WORKFORCE OBSERVATIONS FOR NORTHWEST WISCONSIN COUNTIES

State of Wisconsin
Department of Workforce Development

**MARCH 2002** 

## Unemployment rates increase in February statewide

Unemployment increased in Northwest Wisconsin in February as it did in the state of Wisconsin and all 72 counties of the state. Unemployment rates in Wisconsin rose as the national unemployment rate in February declined from 5.6 percent in January to 5.5 percent, seasonally adjusted.

According to estimates produced by the Department of Workforce Development, the unemployment rate in Northwest Wisconsin rose from 8.5 percent in January to 9.8 percent in February. This is higher than the rate one year ago of 9.1 percent. The increase in unemployment in Northwest Wisconsin, and elsewhere in Wisconsin, is occurring because of worker reductions due to a stalled economy and because of seasonal factors.

Typically, seasonal layoffs peak in either February or March in Wisconsin and the region. Those typically laid

off include workers in construction, retail trade, government, transportation, and production (many manufacturers perform routine maintenance during the winter). Those reductions were magnified this year because of the economy, and in spite of encouraging news nationally that the recession is over, it takes months before employers recover and feel comfortable to recall or add workers.

Because seasonal changes are more extreme and of longer duration in the north unemployment in the counties in this region is more extreme and of longer duration. Unemployment rates range from a high in Ashland

County of 12.6 percent in February to a low in Douglas County of 8.3 percent. Half the counties in the state had unemployment rates higher than 8.3 percent including all of the ten counties in Northwest Wisconsin.

Nation

3.7%

4.7%

While all 72 counties reported an increase in unemployment from January to February, six counties did post rates lower than one year ago and four of those counties were in Northwest Wisconsin. The greatest reduction in unemployment rate from February-to-February in the state was in Price County where the February unemployment rate of 8.4 percent was 3.4 percentage points lower than the 11.8 percent rate of one year ago.

Current unemployment rates were also lower than last years in three counties that share a border with Price: Rusk, Sawyer, and Taylor. A fifth county in the neighborhood, Clark, also reported a drop in unemployment rate compared with one year ago. The unemployment rate in Rusk County in February was 12.0 percent, lower than 12.5 percent twelve months earlier but much higher than the 9.4 percent rate in January. The current rate in Rusk County is the third highest rate in the state in February.

In Taylor County, the current unemployment rate of 10.2 percent is higher than the 8.5 percent unemployed in January but lower than the 10.5 percent rate of one year ago. In Sawyer County the February unemployment rate increased from 8.0 percent in January to 8.5 percent in February but is lower than the 8.9 percent unemployed one year ago.

The addition of over 200 jobs at a new Wal-Mart store in Hayward helped to keep unemployment in check.

The unemployment rate in Bayfield County was 10.5 percent, in Burnett County it was 9.6 percent and in Iron County, the February unemployment rate was 9.5 percent. All three had higher rates than in January and last February and were ranked among the highest quarter of Wisconsin's counties. The highest unemployment rate in the state, 11.8 percent, was in Juneau County while the lowest, 3.1 percent, was in Dane County.

**Unemployment Rates-Not seasonally adjusted** 10% Northwest 9% Wisconsin 8% Nation 7% 6% 5% 4% 3% 2% 1% Dec'00 Dec'01 Mar'01 Jun'01 Sep'01 Dec'01 Jan'02 Feb'02 Dec'00 Jan'01 Feb'01 Northwest 4.9% 8.2% 9.1% 6.3% 8.5% 9.8% Wisconsin 3.0% 4.4% 5.1% 4.2% 5.8% 6.7%

4.6%

5.4%

6.3%

Based on continued claims file for unemployment compensation benefits, unemployment rates will increase again in March. The number of claims filed by residents of the ten counties of Northwest Wisconsin during the survey week (the week that includes the 12<sup>th</sup>) reached 5,602 compared with 5,432 claims filed in mid-February. In 2001 the number of claims declined from mid-February (4,784) to mid-March (4,351).

6.1%

An increase in unemployment is not apparent in the nonfarm wage and salary employment estimates. The total number of jobs in the northwest region increased by 400 as four of the ten counties reported more jobs in February than in January. The report of more jobs doesn't match the increase in unemployment claims because some industries have hired new workers, just not the ones laid off from other employers.

There were over 500 additional government jobs in February and 160 new jobs in services. Most of the reductions in February occurred in manufacturing and construction and most of those workers look for similar jobs or wait for recall.

The estimates for retail trade declined in Sawyer County even though a new store opened in Hayward on February 20 and workers were hired in January. The nonfarm estimates do lag in capturing events like this due to reporting delays. On the other hand, the labor force estimates are based on household surveys conducted monthly in some counties of the state including Sawyer County.

February 2002 Estimates	Wisconsin	Ashland	Bayfield	Burnett	Douglas	Iron	Price	Rusk	Sawyer	Taylor	Washburn
Civilian Labor Force*	3,050,100	8,300	7,700	7,200	23,600	3,700	7,000	7,500	10,000	11,000	8,100
Employed	2,846,100	7,200	6,900	6,500	21,700	3,300	6,400	6,600	9,100	9,900	7,200
Unemployed	204,000	1,000	800	700	2,000	300	600	900	900	1,100	900
Unemployment rate(%)	6.7%	12.6%	10.5%	9.6%	8.3%	9.5%	8.4%	12.0%	8.7%	10.2%	10.9%
Total jobs, all industries'	2,758,660	8,340	3,840	4,440	18,590	2,500	6,300	5,950	6,590	8,770	5,770
Construction & Mining	105,710	250	200	200	810	220	160	150	290	250	170
Manufacturing	565,750	1,700	200	1,030	1,310	450	2,530	2,180	760	3,000	1,090
Transportation & Pbl.Util.	129,420	270	220	140	2,530	60	130	210	180	540	230
Wholesale Trade	135,270	160	30	20	1,080	60	130	140	130	460	160
Retail Trade	485,050	1,480	610	900	3,820	580	1,020	730	1,500	1,430	1,230
Finance,Ins,Real Estate	150,770	340	130	110	510	50	210	130	300	370	200
Services	765,210	2,340	880	700	5,240	600	1,130	960	1,500	1,640	1,260
Government	421,490	1,810	1,550	1,350	3,300	470	990	1,440	1,940	1,090	1,430
	Change from previous month										
Civilian Labor Force*	22,000	300	200	0	400	0	0	200	0	100	100
Employed	-5,000	100	100	0	100	-100	-100	0	-100	-100	0
Unemployed	26,900	100	100	100	300	0	100	200	100	200	100
Unemployment rate(%)	0.8%	1.3%	1.4%	1.0%	1.0%	1.0%	1.5%	2.6%	0.7%	1.6%	1.2%
Total jobs, all industries'	6,300	80	90	0	450	-30	-50	-30	-20	-90	20
Construction & Mining	-2,240	0	0	0	-30	-20	0	-10	-10	-10	0
Manufacturing	-2,140	20	-10	-20	50	-10	-30	-50	20	-100	-20
Transportation & Pbl.Util.	-380	0	0	0	-10	10	0	0	0	10	0
Wholesale Trade	-250	0	0	0	0	0	0	0	0	-10	0
Retail Trade	-5,920	-20	-10	-10	80	0	-20	-20	-30	-20	-20
Finance,Ins,Real Estate	-140	10	0	-10	10	0	0	0	0	-10	0
Services	5,170	0	40	10	130	0	-10	0	-20	0	10
Government	12,200	60	70	20	230	0	10	50	10	50	40
			Ch	Change from one year ago							
Civilian Labor Force*	93,400	400	200	200	500	300	-100	400	600	600	200
Employed	47,600	100	200	0	200	200	100	400	600	600	0
Unemployed	45,900	200	100	200	400	0	-200	0	100	0	200
Unemployment rate(%)	1.3%	2.3%	1.0%	2.1%	1.4%	1.0%	-3.4%	-0.5%	-0.2%	-0.3%	1.7%
Total jobs, all industries'	-19,250	-240	280	-70	900	100	-20	160	330	160	-100
Construction & Mining	-3,350	-10	30	20	90	20	20	10	30	30	20
Manufacturing	-29,650	-70	10	10	-160	10	-20	-10	10	-90	-150
Transportation & Pbl.Util.	-2,660	0	10	0	360	0	0	-10	0	50	-10
Wholesale Trade	-370	-10	0	-10	30	0	-20	10	0	10	10
Retail Trade	1,890	10	20	30	160	10	40	10	60	60	20
Finance,Ins,Real Estate	2,840	20	0	0	0	0	0	0	20	10	-10
Services	8,210	-90	20	-110	410	10	-10	60	110	100	40
Government	3,840	-90	210	-10	10	50	-30	80	100	0	-20

<sup>\*</sup> Includes participants residing in area. 
\*\* Includes employment with employers located in area. 
Estimates are NOT seasonally adjusted. 
Current month estimates are preliminary. Totals may not add due to rounding. Calculations based on unrounded numbers.